

Message Text

CONFIDENTIAL

PAGE 01 HONG K 01520 081030Z
ACTION EA-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 COME-00 EB-08 LAB-04 SIL-01 /075 W
-----080296 081041Z /17/43

R 010817Z FEB 78
FM AMCONSUL HONG KONG
TO SECSTATE WASHDC 8857
INFO CINCPAC
USLO PEKING
AMEMBASSY SINGAPORE
AMEMBASSY TAIPEI
AMEMBASSY TOKYO

C O N F I D E N T I A L HONG KONG 1520

C O R R E C T E D C O P Y (MRN 1520 VICE 520)

CINCPAC FOR POLAD

E.O. 11652: GDS
TAGS: ELAB, PINT, CH
SUBJ: PROVINCIAL VARIATIONS IN WAGE INCREASE

1. DURING A TWO-WEEK TRIP IN CHINA TWO CONGENOFFS FOUND THAT AMONG EIGHT NON-AGRICULTURAL WORK UNITS WHICH THEY VISITED THERE WAS A MARKED VARIATION IN THE UNITS' SCHEDULES FOR IMPLEMENTING THE CENTRAL DIRECTIVE TO INCREASE WAGES. SOME UNITS HAD INCREASED SALARIES BACK IN OCTOBER, WHEN THE DIRECTIVE WAS ISSUED, WHILE OTHERS STILL WERE DISCUSSING WHICH WORKERS SHOULD BE AMONG THE LUCKY FORTY PER CENT TO GET A RAISE.

2. AT THE SHANGHAI SECOND COTTON MILL (;5,500 WORKERS), THE CHIEF ENGINEER TOLD CONGENOFFS WITH PRIDE THAT 40 PER CENT OF THE WORKERS THERE HAD RECEIVED THEIR RAISE IN OCTOBER AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 01520 081030Z

THAT SHANGHAI WAS THE FIRST PROVINCE OR MUNICIPALITY IN THE COUNTRH TO COMPLETE THE WAGE INCREASE PROCESS. REVOLUTIONARY COMMITTEE MEMBERS AT THE HUNAN DIESEL ENGINE FACTORY (2,200) IN CHANGSHA ALSO STATED THEY HAD RAISED WAGES IN OCTOBER. AT THE SHEK WAN POTTERY NACTORY (200) IN FUSHAN, KWANGTUNG, THE CONGENOFFS WERE TOLD THAT 40 PER CENT OF THE WORKERS HAD

RECEIVED A ONE-STEP PROMOTION AT SOME UNSPECIFIED TIME IN 1977.

3. A VERY DIFFERENT SITUATION PREVAILED IN WUHAN WHERE THREE SEPARATE UNITS ALL WERE STILL HOLDING MEETINGS TO DECIDE WHO SHOULD GET A RAISE. BRIEFERS AT THE WUHAN IRON AND STEEL WORKS (90,000) AND AT THE WUHAN BRIDGE AUTHORITY (200) BOTH SAID THEIR WORKERS WERE "NEARING" THE END OF THE DISCUSSION PROCESS. AT A BANK IN WUHAN A CTS GUIDE TOLD THE CONGENOFFS THAT A GROUP HOLDING AN ANIMATED MEETING IN THE LOCAL DIALECT WERE DISUCSSING THE WAGE INCREASE. SOMEWHAT FURTHR ALONG IN THE PROCESS THAT THE WUHAN UNITS WERE A SOOCHOW EMBROIDERY INSTITUTE (200), WHERE A PARTY OFFICIAL SAID THE INCREASES WWOULD BE IMPLEMENTED "THIS MONTH" (JANUARY), AND A JADE CARVING FACTORY IN CANTON, WHERE THE BRIEFER SAID THE WAGE DISVCUSSIONS HAD BEEN "COMPLETED"

4. THE DLAY IN IMPLEMENTATION IN SOME AREAS COULD BE DUE TO DISPUTES WITHIN UNIT OVER WHO SHOULD OR SHOULD NOT RECEIVE A PAY RAVISE. THESE DISPUTES MAY HAVE POLITICAL OVERTONS IN AREAS WHERE FACTORY WORKERS WERE DIVIDED INTO PRO- AND ANTI-GANG OF FOUR FACTONS, AS IN THE WUHAN IRON AND STEEL WORKS. DECIDING WHO GETS A RAISE PRESUMABLH ALSO WOULD INVOLVE DISCUSSION
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HONG K 01520 081030Z

OF EACH WORKER'S STAND DURING THE PERIODS OF FACTIONAL CONFLICT. THE SPEED WITH WHICH THE CENTRAL DIRECTIVE IS IMPLEMENTED MAY ALSO DEPEND ON THE PROVINCIAL OR MUNICIPAL LEADERSHIP, AS SUGGESTED BY THE SHANGHAI COTTON MILL ENGINEER'S BOAST THAT SHANGHAI WAS FIRST IN THE NATION TO COMPLETE THE PROCESS IN ALL UNITS.
SHOESMITH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978HONGK01520
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780058-0966
Format: TEL
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197802107/aaaadmux.tel
Line Count: 101
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f37208ce-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3445604
Secure: OPEN
Status: NATIVE
Subject: PROVINCIAL VARIATIONS IN WAGE INCREASE
TAGS: ELAB, PINT, CH
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/f37208ce-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014